

SECURITIES AGENTS REGISTRATION INFORMATION

The following is a summary of the registration requirements for agents under the Michigan Uniform Securities Act. Each agent should read and understand these requirements before registration.

REGISTRATION - Section 201(b) of the Michigan Uniform Securities Act, 1964 PA 265, as amended, provides that it is unlawful for any broker-dealer or issuer to employ an agent unless the agent is registered. An unregistered agent and the employing broker-dealer are both subject to criminal and civil liability and may be liable, pursuant to Section 410(e) of the Act, for rescission to purchasers for two years after the date of sale of the securities.

The term "agent" includes officers, directors and partners, unless they are otherwise excluded from the definition of agent. Please refer to Section 401(c) of the Act regarding excluded individuals.

AGENT APPLICATIONS - The U-4 application for agent registration must be filed. The applicant must answer all questions and attach documentation or written explanation where appropriate. The last page of the application must be signed and dated.

NASD member firms must file for agent registration for Michigan electronically through the Web CRD system at <http://www.nasdr.com>. See address on Page 2 of Securities Agents Registration Information. Questions should be directed to the Licensing Division, Office of Financial and Insurance Services, State of Michigan, or the CRD System at (301) 590-6500.

(a) \$30 filing fee

(b) U-4 form and other information as required by the CRD

IMPORTANT: DO NOT SEND U-4 FORMS TO CRD PRIOR TO FIRM'S APPROVAL.

Non-NASD members must file the complete U-4 form and the following additional information to the Michigan Department of Consumer & Industry Services, Office of Financial and Insurance Services, Licensing Division, P.O. Box 30220, Lansing, MI 48909-8201.

(a) \$30 filing fee

(b) Evidence of passing the Uniform State Agent Securities Law Examination, based on the Uniform State Agent Securities Law Examination Study Guide (Series 63) within the last two years. This is in accordance with Rule 604.3(1).

(c) Fingerprint card - applicant must submit State of Michigan fingerprint card if individual does not have a federal fingerprint on file with the NASD. All items must be completed on the fingerprint card. Prints must be taken by a police agency. Cards that are folded CANNOT be processed. State Cards are available from our office.

All persons acting as an agent with Michigan clients must register as a securities agent. Please refer to Section 401(c) of the Michigan Uniform Securities Act. Michigan does not have a principal requirement; however, if the principal will act as an agent, the principal must register as a securities agent in Michigan.

EXAMINATION PROCEDURE FEE - Arrangements for all applicants to take the Series 63 are made through the NASD. To request USASLE Study Material, please contact the National Association of Securities Dealers Regulation, Inc., P.O. Box 9403, Gaithersburg, MD 20898-9403. To schedule the examination contact the National Association of Securities Dealers, Inc., P.O. Box 9401, Gaithersburg, MD 20898-9401. A fee is required by the NASD each time an examination is taken. The NASD schedules Michigan applicants to take the examination in Southfield, Michigan.

TRANSFER OF AGENTS - Notification of agent transfer or termination must be filed within fourteen (14) calendar days of the change. A Form U-5 to terminate the employment of an agent and an originally signed, dated and notarized Form U-4 to transfer an agent must be completed and submitted through the Web CRD. There is a transfer fee of \$10 for each agent.

In order to reactivate the registration of an agent registered in the State after July 1, 1979, the agent must become employed by a registered broker-dealer or issuer and notify the Office by filing a U-4. If more than two years have elapsed since the agent was active, the agent must take and pass the Series 63 to reactivate his/her registration.

If the agent's annual fee for the current year has not been paid at the time the transfer occurs, it will be necessary to submit the \$30 annual fee in accordance with Rule 602.4(2).

Michigan participates in the TAT Program through the CRD system. Please contact CRD System for instructions.

Copies of the Michigan Uniform Securities Act, 1964 PA 265, as amended, are available on our web site at http://www.cis.state.mi.us/corp/divisions/sec_ex_div/ssarindx.htm, or by writing to the Division of Securities at the address below.

Non-NASD firms shall file agent applications with OFIS at:

Michigan Department of Consumer and Industry Services
Office of Financial and Insurance Services
Licensing Division
P.O. Box 30220
Lansing, MI 48909-8201
Telephone (517) 241-6350

NASD firms shall file applications electronically through the Web CRD. You may also wish to view the website at <http://www.nasdr.com>.